

PROGRAM/SUBJECT: School Districts - Minutes of Meetings of the Board of Trustees	REF: SD-7
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COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES:

BOARD MEETING TIMES - continued

1. Compliance Requirements - continued:

- Special meetings may be called by the presiding officer or any two members of the board by giving each member a 48-hour written notice. This notice is waived in an unforeseen emergency. (MCA 20-3-322)

Suggested Audit Procedures:

- Review the written policies adopted by the trustees to determine if they include a policy regarding the day and time established for the regular meetings required above.
- Review the minutes of board meetings to determine if the required meetings were held during the year.
- Review documentation on file to verify that all special meetings were properly called.

QUORUM NECESSARY TO CONDUCT BUSINESS:

2. Compliance Requirement:

- Business may not be transacted by the trustees unless it is transacted at a regular or properly called special meeting. A quorum for any meeting is a majority of the trustees' membership. (MCA 20-3-322)

Suggested Audit Procedure:

- Review minutes of the meetings to verify that a quorum was present at each regular and special meeting.

APPROVAL OF MINUTES

3. Compliance Requirement:

- The board shall approve the minutes of each special and regular meeting no later than 1 month following the meeting if it meets on a regular monthly basis. If a board does not regularly meet on a monthly basis, it shall approve the minutes of each special and regular meeting at the next regular or special meeting. The approval of the minutes of a prior meeting shall not occur more than 40 days after the meeting. (Note: No board shall be required to meet to approve the minutes of a meeting at which no substantive business was conducted.) (MCA 20-3-323)
(**Note to Auditor:** Although State law does not require that the minutes be signed to show approval, we recommend that the minutes be signed by the chairman of the board and attested by the clerk.)

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COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES:

APPROVAL OF MINUTES - continued

Suggested Audit Procedure:

- Review selected minutes of the meetings of the governing body to determine if the minutes were approved as described above.

REQUIRED ELEMENTS

4. Compliance Requirement:

- The trustees must keep a full and permanent record of all adopted policies and all other acts of the trustees. Minutes of the meetings must include:
 - a. date, time, and place of meeting;
 - b. a list of board members in attendance;
 - c. wording of motions;
 - d. voting records of each trustee;
 - e. a detailed statement of all expenditures of money with the name of the person or business to whom payment is made and showing the service rendered or goods furnished;
 - f. the substance of all matters proposed, discussed or decided.
 (MCA 2-3-212 & 20-3-323)

(Note: The above list is not all-inclusive. We have attempted to identify as many as possible of those items in State law that reference minute entry. The main compliance requirement, as noted above and contained in MCA 2-3-212, is that the minutes must contain the substance of all matters proposed, discussed, or decided, without exception.)

Suggested Audit Procedures:

- Read the minutes of the meetings to determine if they appear complete and that they include all of the information specifically mentioned above.
- During the course of the audit, watch for evidence of transactions and other activities that should have been recorded in the minutes, and determine if they were recorded. If they do not appear in the minutes, inquire as to what action was taken.

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COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES:

PUBLIC MEETINGS

5. Compliance Requirements:

- All meetings of governmental bodies, boards, bureaus, commissions or any political subdivision of the state or organizations or agencies supported in whole or in part by public funds or expending public funds must be open to the public. (MCA 2-3-203)
- Meetings may be closed only for the following reasons: (MCA 2-3-203 & 20-3-322)
 1. if the discussion relates to a matter of individual privacy and if the presiding officer determines that the demands of individual privacy clearly exceed the merits of public disclosure. The right of individual privacy may be waived by the individual about whom the discussion pertains and, in that event, the meeting must be open.
 2. to discuss strategy to be followed with respect to litigation when an open meeting would have a detrimental effect on the litigating position of the school district. However, a meeting may not be closed for this reason if the only parties to the litigation are public bodies or associations.
- Minutes of the open meetings must be kept and shall be available for inspection and copying by the public. (MCA 2-3-212, 2-6-102 and 20-3-323)

Suggested Audit Procedures:

- Based on review of the minutes, determine if all meetings were open to the public.
- If a meeting was closed to the public, determine that the minutes clearly indicate the reason for the closure and that the reason was an allowable one, as described above.
- Based on observation and inquiry, determine that minutes were kept of all public meetings and that those minutes are available for inspection and copying by the public.